

May 2, 1975

SENATOR MURPHY: I'm sorry, Senator Goodrich. I don't read that well. It is in there. If you would care to take a look at it.

SENATOR GOODRICH: OK, what I'm curious about Murph is . . . Senator Murphy, excuse me. Is the . . . is this based on LB 203, for example, that the state savings and loans can do that which a Federal savings and loan can do? Consequently, the Federal savings and loans have the authority from the Federal Home Loan Bank? Just what is the actual legal foundation on which the state savings and loans are able to do this?

SENATOR MURPHY: One, this confirms specifically that what is currently happening with Federal savings and loans as particularly with respect to the person . . . the Hinky Dinky employee operating that terminal, the Supreme Court has said this is proper and permissible. In there you will find that they do refer to the fact that it will be entirely proper for state savings and loan. Now the authority for state savings and loans to do what Federal savings and loans do was the authority that we gave them twice this year, in yours and Mr. Savage's bill, 58 and 201 I believe, where we said they can do anything. It is specifically stated in there that they may. Now the fact that these people can set up their own system and do it has a very significant factor as far as them piggybacking onto this banking situation. We, as you know, for two years have tried to exact some kind of control over a Federal savings and loan. There is an Attorney General's opinion, as of this year, saying we cannot in any way, shape, or form control the Federal savings and loan. If you start welding them into the situation that the banks have where we can control the Federal banks, then you're going to put a third party into something the state can control. Then it can no longer control it. Now let the savings and loans, if they have housecleaning to do, if they have been asleep at the switch, if they want to do something additionally in this session, there are several savings and loan bills that can be amended. The vehicle is there. If they want to do it, let them be about doing it, but not be dragging down these people. Every day that we wait these people that are presently engaged in it are entering into new contracts. They're already up through towns the size of Wahoo, Norfolk. Every day we delay these other people the authority to proceed, we are simply giving these people an additional head start. That is the total sum and substance of what's being attempted here today. The longer your people can drag this down, the more of an advantage the other fellow's got. I think it's unfortunate that we permit it at all.

SENATOR GOODRICH: Now on page six of LB 269, line 11, well starting on line 9. It says "such electronic satellite facility or manned electronic satellite facilities may be established only by a bank, as defined in subsection four" etc. Now what I'm concerned with is the word "only" there. In other words, no one except a bank can establish a satellite facility as defined by this section.